

The following described lands will be offered for oil and gas leasing through oral competitive bidding in the Department of Transportation auditorium, 2701 Prospect Ave., Helena, Montana, beginning at 9:00 am, June 2, 2009

Tract	Stip	Twp	Rge	Sec	Description	Acres	Bidder	Bid \$/Acr
Big Horn								
1	1, 2, 3, 4, 5, 6	8.S	44.E	16	All	640.00	_____	_____
Blaine								
2	1, 2, 3, 4, 5, 6	27.N	19.E	10	SE4NW4, S2NE4, SE4, NE4SW4	320.00	_____	_____
3	1, 2, 3, 4, 5, 6	27.N	19.E	11	S2N2, S2	480.00	_____	_____
4	1, 2, 3, 4, 5, 6	27.N	19.E	12	S2N2, S2	480.00	_____	_____
5	1, 2, 3, 4, 5, 6	27.N	19.E	14	N2, N2S2	480.00	_____	_____
6	1, 2, 3, 4, 5, 6, 9	27.N	19.E	24	S2N2, S2	480.00	_____	_____
7	1, 2, 3, 4, 5, 6	27.N	19.E	28	N2NW4, SE4NW4, NE4	280.00	_____	_____
8	1, 2, 3, 4, 5, 6	27.N	19.E	29	NE4	160.00	_____	_____
Carbon								
9	1, 2, 3, 4, 5, 6, 9	4.S	24.E	16	All	640.00	_____	_____
Carter								
10	1, 2, 3, 4, 5, 6, 8	1.S	59.E	16	All	640.00	_____	_____
11	1, 2, 3, 4, 5, 6	1.S	59.E	18	Lots 3, 4, E2SW4	150.81	_____	_____
12	1, 2, 3, 4, 5, 6	1.S	59.E	19	NE4NW4, W2NE4, SE4NE4	160.00	_____	_____
13	1, 2, 3, 4, 5, 6	1.S	59.E	36	All	640.00	_____	_____
14	1, 2, 3, 4, 5, 6	1.S	60.E	16	All	640.00	_____	_____
15	1, 2, 3, 4, 5, 6, 9	2.S	59.E	16	All	640.00	_____	_____
16	1, 2, 3, 4, 5, 6	2.S	59.E	36	All	640.00	_____	_____
17	1, 2, 3, 4, 5, 6	2.S	60.E	16	All	640.00	_____	_____
Daniels								
18	1, 2, 3, 4, 5, 6, 8	34.N	45.E	2	Lots 1, 2, 3, 4, S2N2, S2	642.16	_____	_____
19	1, 2, 3, 4, 5, 6	34.N	45.E	3	Lots 1, 4, SW4NW4, SE4NE4, E2SE4, W2SW4	320.68	_____	_____
20	1, 2, 3, 4, 5, 6	34.N	45.E	10	W2	320.00	_____	_____
21	1, 2, 3, 4, 5, 6, 8	34.N	45.E	11	E2	320.00	_____	_____

Tract	Stip	Twp	Rge	Sec	Description	Acres	Bidder	Bid \$/Acr
22	1, 2, 3, 4, 5, 6, 8	34.N	45.E	12	N2NE4, SE4SE4, W2SW4	200.00	_____	_____
23	1, 2, 3, 4, 5, 6	34.N	45.E	13	E2NE4, SE4, SE4SW4	280.00	_____	_____
24	1, 2, 3, 4, 5, 6	34.N	45.E	14	N2N2, S2SE4, E2SW4	320.00	_____	_____
25	1, 2, 3, 4, 5, 6, 11	34.N	45.E	15	W2, W2SE4	400.00	_____	_____
26	1, 2, 3, 4, 5, 6, 11	34.N	45.E	22	All	640.00	_____	_____
27	1, 2, 3, 4, 5, 6, 11	34.N	45.E	23	All	640.00	_____	_____
28	1, 2, 3, 4, 5, 6, 11	34.N	45.E	24	NE4NW4, N2NE4, S2	440.00	_____	_____
29	1, 2, 3, 4, 5, 6, 11	34.N	45.E	25	All	640.00	_____	_____
30	1, 2, 3, 4, 5, 6, 11	34.N	45.E	26	All	640.00	_____	_____
31	1, 2, 3, 4, 5, 6	34.N	45.E	27	NE4, S2	480.00	_____	_____
32	1, 2, 3, 4, 5, 6	34.N	45.E	34	N2N2, S2	480.00	_____	_____
33	1, 2, 3, 4, 5, 6, 8	34.N	45.E	36	All	640.00	_____	_____
34	1, 2, 3, 4, 5, 6, 8	34.N	46.E	8	N2, SE4, E2SW4	* 560.00	_____	_____
35	1, 2, 3, 4, 5, 6, 8	34.N	46.E	16	All	640.00	_____	_____
36	1, 2, 3, 4, 5, 6	34.N	46.E	17	N2, W2SW4	* 400.00	_____	_____
37	1, 2, 3, 4, 5, 6	34.N	46.E	19	Lot 1, E2NW4, E2NE4	197.79	_____	_____
38	1, 2, 3, 4, 5, 6, 7	34.N	46.E	20	NW4, SE4NE4, NE4SE4	240.00	_____	_____
39	1, 2, 3, 4, 5, 6, 7	34.N	46.E	21	S2NW4, N2SW4	160.00	_____	_____
40	1, 2, 3, 4, 5, 6, 11	34.N	46.E	28	SW4	* 160.00	_____	_____
41	1, 2, 3, 4, 5, 6	34.N	46.E	29	N2NE4, SW4SW4	120.00	_____	_____
42	1, 2, 3, 4, 5, 6, 11	34.N	46.E	30	Lots 1, 2, 3, 4, E2W2, E2	631.60	_____	_____
43	1, 2, 3, 4, 5, 6	34.N	46.E	31	Lots 1, 2, 3, 4, E2W2, SE4	472.04	_____	_____
44	1, 2, 3, 4, 5, 6	34.N	46.E	32	SW4SE4, NW4SW4, S2SW4	* 160.00	_____	_____
45	1, 2, 3, 4, 5, 6, 11	34.N	46.E	33	NW4, SW4NE4, SE4, N2SW4	* 440.00	_____	_____
46	1, 2, 3, 4, 5, 6	35.N	45.E	34	NW4, W2SW4	240.00	_____	_____
47	1, 2, 3, 4, 5, 6	35.N	45.E	35	S2NE4, S2	400.00	_____	_____

Tract	Stip	Twp	Rge	Sec	Description	Acres	Bidder	Bid \$/Acr
48	1, 2, 3, 4, 5, 6, 8	35.N	45.E	36	All	640.00	_____	_____
49	1, 2, 3, 4, 5, 6, 8	35.N	46.E	33	E2NW4, NE4	240.00	_____	_____
Dawson								
50	1, 2, 3, 4, 5, 6	21.N	51.E	14	S2	320.00	_____	_____
51	1, 2, 3, 4, 5, 6, 8	21.N	51.E	16	All	640.00	_____	_____
52	1, 2, 3, 4, 5, 6	21.N	51.E	36	All	640.00	_____	_____
53	1, 2, 3, 4, 5, 6	21.N	52.E	4	Lots 2, 3, S2NW4, SW4	319.62	_____	_____
54	1, 2, 3, 4, 5, 6, 8	21.N	52.E	16	All	640.00	_____	_____
55	1, 2, 3, 4, 5, 6, 8	22.N	51.E	12	S2	320.00	_____	_____
56	1, 2, 3, 4, 5, 6, 11	22.N	51.E	16	All	* 640.00	_____	_____
57	1, 2, 3, 4, 5, 6	22.N	51.E	32	E2	* 320.00	_____	_____
58	1, 2, 3, 4, 5, 6	22.N	51.E	36	All	* 640.00	_____	_____
59	1, 2, 3, 4, 5, 6	22.N	52.E	14	SE4, SE4SW4	* 200.00	_____	_____
60	1, 2, 3, 4, 5, 6, 8	22.N	52.E	16	All	* 640.00	_____	_____
61	1, 2, 3, 4, 5, 6	22.N	52.E	28	N2NE4, SE4NE4, S2S2, NE4SE4	* 320.00	_____	_____
62	1, 2, 3, 4, 5, 6, 10	23.N	50.E	12	S2	320.00	_____	_____
63	1, 2, 3, 4, 5, 6	23.N	50.E	16	All	640.00	_____	_____
64	1, 2, 3, 4, 5, 6, 10	23.N	50.E	36	All	* 640.00	_____	_____
Glacier								
65	1, 2, 3, 4, 5, 6, 12	35.N	5.W	2	SW4SW4, below the base of the Swift formation	40.00	_____	_____
66	1, 2, 3, 4, 5, 6, 12	35.N	5.W	11	NW4, below the base of the Swift formation	160.00	_____	_____
Hill								
67	1, 2, 3, 4, 5, 6	33.N	13.E	16	All	640.00	_____	_____
McCone								
68	1, 2, 3, 4, 5, 6	24.N	50.E	16	All	640.00	_____	_____
69	1, 2, 3, 4, 5, 6, 8, 10	24.N	50.E	36	W2, N2NE4, W2SE4	480.00	_____	_____
70	1, 2, 3, 4, 5, 6, 8	26.N	50.E	36	All	640.00	_____	_____

Tract	Stip	Twp	Rge	Sec	Description	Acres	Bidder	Bid \$/Acr
Richland								
71	1, 2, 3, 4, 5, 6	20.N	57.E	16	All	* 640.00	_____	_____
72	1, 2, 3, 4, 5, 6, 8	23.N	51.E	2	S2N2, N2S2	320.00	_____	_____
73	1, 2, 3, 4, 5, 6, 8	23.N	51.E	8	N2	320.00	_____	_____
74	1, 2, 3, 4, 5, 6	23.N	51.E	36	All	640.00	_____	_____

Summary by Lessor

Dept of Natural Resources & Conservation

32974.7

74

Total Acres for Lease Sale 32974.7

Total Tracts for Lease Sale 74

* Part or all of tract is not state-owned surface

Additional lease stipulations are listed on the following pages. The STIP Column on the lease sale list identifies which stipulations will be attached to each tract.

Sight drafts will not be accepted. The State Board of Land Commissioners reserves the right to reject any and all bids. All payments are due within ten days after the date of sale.

Individuals with disabilities needing assistance or special services, please call Julie David at (406)444-4576 at least 1 week prior to the sale.

STATE BOARD OF LAND COMMISSIONERS

Stipulations

- 1 Lessee shall notify and obtain approval from the Department's Trust Land Management Division (TLMD) prior to constructing well pads, roads, power lines, and related facilities that may require surface disturbance on the tract. Lessee shall comply with any mitigation measures stipulated in TLMD's approval.
 - 2 Prior to the drilling of any well, lessee shall send one copy of the well prognosis, including Form 22 "Application for Permit" to the Department's Trust Land Management Division (TLMD). After a well is drilled and completed, lessee shall send one copy of all logs run, Form 4A "Completion Report", and geologic report to TLMD. A copy of Form 2 "Sundry Notice and Report of Wells" or other appropriate Board of Oil and Gas Conservation form shall be sent to TLMD whenever any subsequent change in well status or operator is intended or has occurred. Lessee shall also notify and obtain approval from the TLMD prior to plugging a well on the lease premises.

Issuance of this lease in no way commits the Land Board to approval of coal bed methane production on this lease. Any coal bed methane extraction wells would require subsequent review and approval by the board.
 - 3 The TLMD will complete an initial review for cultural resources and, where applicable, paleontological resources of the area intended for disturbance and may require a resources inventory. Based on the results of the inventory, the TLMD may restrict surface activity for the purpose of protecting significant resources located on the lease premises.
 - 4 The lessee shall be responsible for controlling any noxious weeds introduced by lessee's activity on State-owned land and shall prevent or eradicate the spread of those noxious weeds onto land adjoining the lease premises.
 - 5 The definitions of "oil" and "gas" provided in 82-1-111, MCA, do not apply to this lease for royalty calculation purposes.
 - 6 If the State does not own the surface, the lessee must contact the owner of the surface in writing at least 30 days prior to any surface activity. A copy of the correspondence shall be sent to TLMD.
 - 7 Due to unstable soil conditions on this tract and/or topography that is rough and/or steep, surface use may be restricted or denied. Seismic activity may be restricted to poltershots.
 - 8 The lessee is responsible to pay for all damages, including penalties and charges assessed by the USDA-CFSA on CRP lands, as a result of drilling and production on the tract.
 - 9 Active sage grouse lek(s) have been identified on or adjacent to this tract. No activities shall occur on the tract until the proposed action has been approved in writing by the Director of the Department. If surface activity is proposed on the tract, the department will consult with the Director of the Department of Fish, Wildlife and Parks for his or her comments, concerns and recommendations. Additional mitigation measures may be required, including no-surface-occupancy buffers and/or timing restrictions, which may encompass part or all of the tract.
 - 10 Unless otherwise approved by the Department in writing, wells and related surface infrastructure, including new road construction, are prohibited within 1/4 mile of the mean high water mark of a navigable river, lake or reservoir, including direct tributary streams of navigable waterways, on or adjacent to this tract. No surface occupancy is allowed within the bed of a river, stream, lake or reservoir, islands and accretions or abandoned channels.
 - 11 Due to the floodplain/wetlands area(s), surface use may be restricted or denied.
 - 12 Any activity within 1/8 mile of the river, stream, floodplain, or lake/reservoir on or adjacent to this tract must be approved in writing by the TLMD prior to commencement. No surface occupancy is allowed within the bed of the river and/or stream, abandoned channels, the bed of the lake/reservoir, or on islands and accretions associated with the river, stream, or lake/reservoir.
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DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Trust Land Management Division



BRIAN SCHWEITZER, GOVERNOR

1625 ELEVENTH AVENUE

DIRECTOR'S OFFICE (406) 444-2074
TELEFAX NUMBER (406) 444-2684

PO BOX 201601
HELENA, MONTANA 59620-1601

TO ALL INTERESTED PARTIES:

RE: September 1, 2009 Oil and Gas Lease Sale

In order to give as much advance notice as possible, please be advised that the date of the September 2009 Oil and Gas Lease Sale has been set for **TUESDAY, SEPTEMBER 1, 2009**, at 9:00 A.M. in the auditorium of the Department of Transportation building at 2701 Prospect Avenue, Helena, Montana, east of the interstate highway. Please call the Department of Natural Resources and Conservation for detailed directions, if necessary.

The deadline filing date for submitting applications on tracts to be nominated for the sale in September is 5:00pm on June 23, 2009. Applications must be received in this office by that date. If you have any questions, please contact me at jdavid@mt.gov or (406) 444-4576.

Julie David, Supervisor
Mineral Leasing Section
Minerals Management Bureau